Michael O Leavitt Governor Lowell P. Braxton Division Director

PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

1594 West North Temple, Suite 1210

June 29, 1998

Todd Harris Marlow Cropper T & M Fossils 1717 West 4500 North Delta, Utah 84624

Re: Transfer of a Portion of Small Mining Permit, from Robert Drachuk, S/027/014 (ML 42750) to T & M Fossils, S/027/070 (ML 42750-A), Millard County, Utah

Dear Messrs Harris and Cropper:

On June 19, 1998, the Acting Director of the Division of Oil, Gas and Mining formally approved the transfer of a portion of Robert Drachuk's small mining permit #S/027/014 to T & M Fossils. Mr. Drachuk's remaining permit is located on an 80 acre state mineral lease #42750 in the SW1/4 of the NE1/4 and the NW1/4 of the SE1/4 of Section 2, T17S, R13W, SLBM, Millard County.

On February 19, 1997, a lease assignment #42750-A was granted to Mr. Todd Harris, by the School and Institutional Trust Lands Administration. This 40 acre lease assignment is located in the SE1/4 of the NE1/4 of Section 2, T17S, R13W, SLBM, Millard County..

Mr. Drachuk is hereby formally released from any mining or reclamation responsibility on the 40 acre lease now leased by Mr. Harris and Mr. Cropper. Mr. Harris and Mr. Cropper are now responsible for reclamation of any existing or future mining related disturbance on this portion of the property. This permit may not exceed five acres of surface disturbance at any time. If you intend to expand beyond five acres, you must first submit a Notice of Intention to Commence Large Mining Operations (LMO), post a reclamation surety bond, and receive written approval before creating any disturbance beyond five acres. A LMO could take six months or longer to receive approval.

A copy of the completed transfer is enclosed for your records. Thank you for your help in finalizing this transfer. If you have questions or concerns regarding this letter, please contact me at (801) 538-5286 or Tom Munson at 538-5321.

Sincerely

D. Wayne Hedberg Permit Supervisor

Minerals Regulatory Program

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Enclosure: Executed Permit Transfer cc: Robert Drachuk w/encl

Will Stokes, SITLA (ML-42750 & 42750-A) w/encl

File S/027/014 w/encl